

## SCIENTIFIC ADVISOR'S REFERENCE

<b>Program:</b>	Master in International Business
<b>Student:</b>	Yakhno Anton
<b>Title of thesis:</b>	Informational transparency and mutual funds performance: the case study of Russia and Ukraine

**Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis.** Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.

Mutual funds performance is a well-researched area. Corporate governance issues in relation to performance of investment funds became a hot topic of research since recently. Fewer studies are devoted to the impact of informational transparency on funds performance. The study of relationship between funds performance and transparency for Russian and Ukrainian funds conducted in the thesis brings new results that could be extended to emerging markets mutual funds. The specifics of funds under consideration is that funds in the sample are governed by both fund management and managing company, that is a unique feature of Russian and Ukrainian funds. That is why the transparency index constructed in the research includes characteristics of those governing structures. Thus the topic of the thesis is relevant. The research provides theoretical contribution and managerial implications.

The goal of the research is stated clearly, objectives are consistent with the goal.

**Structure and logic of the text flow.** Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.

The structure in general is logical. The introduction contains goals, objectives, object and subject of the research. It doesn't not mention a methodology though. The first part of the paper provides detailed description of the mutual fund industry in Russia and Ukraine, including analysis of the investment funds legislation. A literature review presented in the chapter 2, is rather thorough. The part 3 covers empirical research, based on samples of Russian and Ukrainian funds. Transparency index is constructed, based on criteria of transparency of funds and asset management companies. Regression analysis is conducted to test hypotheses on the relationship between the informational transparency and fund's performance. Empirical findings could have been presented in more proper way with regard to the layout.

**Quality of analytical approach and quality of offered solution to the research objectives.** Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.

The thesis in general has a research nature and contains some practical implications. The methodology is explained clearly. Although the author applied existing methodology to measuring a transparency index, the student developed it given the specifics of funds in the sample.

**Quality of data collection and description.** Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.

Research tools and methods (index construction, regression analysis) are relevant for this research. The choice of the sample and validity of data collected seem to be adequate. Data description is presented thoroughly. The list of references is appropriate.

**Scientific aspect of the thesis.** Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.

The thesis is conducted independently, has a research nature. The theoretical contribution is new findings of

the relationship between informational transparency and performance of investment funds, transparency is measured with the index, that is new methodology for studies of Russian mutual funds.

**Practical/applied nature of research.** Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.

Managerial implications are not deep enough, that could be explained by the specifics of data used (only 1 year of observations).

**Quality of thesis layout.** Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.

The layout of the thesis in general meets the requirements for master thesis preparation.

The Master thesis of Yakhno Anton meets the requirements for master thesis of MIB program thus the author of the thesis can be awarded the required degree.

Date

21.06.2011

Scientific Advisor:

Asc. Prof. Yulia Ilina